HOME Overview

About the HOME Program:
The HOME program was created under Title II of the National Affordable Housing Act of 1990. The general purposes of HOME are:

- Expand the supply of decent and affordable housing, for low-income Americans.
- Strengthen the ability of state and local governments to design and implement strategies to achieve an adequate supply of decent, affordable housing.
- Provide financial and technical assistance to participating jurisdictions.
- Fortify partnerships among all levels of government and private sector in production and operation of affordable housing.

What can be Funded with HOME Dollars?
HOME is the largest federal block grant to state and local governments designed exclusively to create safe, decent and affordable housing for low-income households. HOME provides grants that are often used by the Consortium in partnership with local nonprofit groups to fund a wide range of activities to build, buy, and/or rehab affordable housing for rent or homeownership.

What are Eligible HOME Activities?
HOME funds are designed to give communities greater flexibility to undertake a broad range of affordable housing activities. HOME funds can be used to:

- Acquire Property
- Construct new housing for rent or homeownership
- Rehabilitation of rental or owner-occupied units
- Improve sites for HOME-assisted developments or demolish dilapidated housing on such sites
- Pay relocation costs for households displaced by HOME activities
- Provide financing assistance to low-income homeowners and new home buyers for home purchase or rehabilitation
- Provide tenant-based rental assistance or help with security deposits to low-income renters (not a local priority)
- Meet HOME program planning and administration expenses

What are Ineligible HOME Activities?
HOME funds may not be used to support:

- Public and assisted housing operations, modernization, and preservation activities for which HUD has already provided other dedicated funding
- Ongoing operation of rental housing through such means as operating subsidies or reserve accounts
- Matching funds for other federal programs
Who are the Direct Beneficiaries of HOME?

Home assistance is targeted to ensure the program serves the affordable housing needs of the families who most urgently need it - low and very low-income Americans. At least 90 percent of HOME funds used for rental housing must be invested in units that are occupied by families earning no more than 60% of the area median income (AMI), with the remaining families earning no more than 80% if the AMI. AMI is calculated annually by HUD and adjusted by family size. AMI for the consortium is $51,050 (a family of 4). Rents in HOME-assisted rental housing must be affordable to low-income families. Homeowners assisted with HOME funds must have incomes at or below 80% of AMI and must be for their principal residence.

How are HOME Funds Distributed?

Of the total annual grant, up to 10% can be used for administration costs, and 15% must be set aside for the use of eligible CHDO’s (Community housing Development Organization). The remaining funds are allocated to member communities based on population and need. Provo City administers their own down payment and closing cost assistance program. Orem City has contracted with HSUV (Housing Services of Utah Valley) to package their down payment and closing-cost assistance program as do other member cities through the UCHA (Utah County Housing Authority). UCHA has contracted with Lehi, Lindon, Mapleton, Spanish Fork, Springville, Payson, and Pleasant Grove to administer their HOME funds. All loans are serviced by the Utah Valley Consortium of Cities and County.

What is a CHDO?

Community Housing Development Organizations are private, nonprofit agencies organized under state or local law, accountable to the community they serve, and are committed to providing decent and affordable housing for low-income people. Eligible CHDO’s meeting HUD’s qualifying criteria through the UVHC are CAS (Community Action Services), NHS of Provo, RHDC (Rural Housing Development Corp.).

How HOME Funds Have Been Used:

Local priorities for HOME Funds have been to assist low-and-moderate-income families consortia wide to achieve homeownership. This is done through down payment and closing cost assistance providing up to $15,000 at a low interest rate (0%). Another local priority is to preserve the affordable housing stock through owner-occupied rehabilitation loans. The consortium provides up to $25,000 to rehab an owner-occupied residence to an acceptable standard (UBC). These loans are at 3% interest rate amortized over 10 years. If the owner is aged 62 or older or on Social Security Disability, the loan may then carry a 0% deferred payment status. The Consortium also provides home remodels to remove accessibility barriers to occupants of a residence which is another local priority.

Other HOME Projects:

Transitional housing and funding for the Center for Women and Children in Crisis; affordable rental units set aside for clients of Wasatch Mental Health; affordable rental housing units set aside for the elderly; grants to Habitat for Humanity for land purchase; new construction, single-family residences.

Utah Valley Consortium Coordination Efforts:

The population served by the Utah Valley Consortium enjoys the benefits of a unique and mutually beneficial coordination and cooperation effort fostered among local service providers, non-profits, and interested for-profit groups, bankers, religious organizations and governmental agencies to utilize scarce resources to provide needed facilities and service throughout the consortium service area.

The Utah Valley Consortium also has a Control Board consisting of a representative appointed by the Mayor of each member city to represent their interests. Each Control Board Member has one vote. The Executive Director of the consortium facilitates the meetings and does not have a vote.

Fair Housing Certifications:

One of the privileges of living in the United States is the right to freely choose where you will live.
Utah and Federal Housing Acts protect the right to select housing without discrimination based on race, color, national origin, religion, sex, familial status or source of income.

The Utah Valley HOME Consortium seeks to ensure equal access to housing for all people through education. We all bear the responsibility to affirmatively further fair housing and seek to provide and maintain an adequate affordable housing stock.

**Purposes of This Document:**

This document is provided in an effort to educate and gain the support of new administrations, interested individuals and agencies. To make known the significant impact and benefit to the community through efforts made by and funding made through the Utah Valley HOME Consortium. Since its creation $11,736,000 has been brought into the consortium communities with which to assist the homeless and those threatened with homelessness to obtain appropriate housing. To retain and increase the supply of safe, decent affordable housing stock, to increase the supply of supportive housing for persons with special needs, to make available permanent housing that is affordable to low-income Americans without discrimination. This is the stated purpose and goal of the Utah Valley HOME Consortium.

**Notes:**

Each member City Recorder has been provided with a copy of the 2000 Five-year Consolidated Plan. A copy is also available in the Provo City Redevelopment Agency office and in the Provo City Library (Reference Only) for use by the public and any interested party.

The Housing Rehabilitation and Homeownership Programs comply with the lead-based paint regulation (24 CFR §570.608; 24 CFR 35) issued from the Department of Housing and Urban Development (HUD). The lead-based paint regulation will affect any home built prior to January 1, 1978.

The Provo City Housing Division is notifying all applicants of the hazards related to lead-based paint by providing a copy of the pamphlet, "Protect Your Family From Lead In Your Home," developed by the United States Environmental Protection Agency (EPA), United States Consumer Product Safety Commission (CPSC), and United States Department of Housing and Urban Development (HUD).